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LEGISLATIVE ACTION

Senate

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House

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Senator Bradley moved the following:

**Senate Amendment (with directory and title amendments)**

Delete lines 524 - 996

and insert:

(e) *Budget meeting.*—

1. Any meeting at which a proposed annual budget of an association will be considered by the board or unit owners shall be open to all unit owners. At least 14 days prior to such a meeting, the board shall hand deliver to each unit owner, mail to each unit owner at the address last furnished to the association by the unit owner, or electronically transmit to the



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location furnished by the unit owner for that purpose a notice of such meeting and a copy of the proposed annual budget. An officer or manager of the association, or other person providing notice of such meeting, shall execute an affidavit evidencing compliance with such notice requirement, and such affidavit shall be filed among the official records of the association.

2.a. If a board adopts in any fiscal year an annual budget which requires assessments against unit owners which exceed 115 percent of assessments for the preceding fiscal year, the board shall conduct a special meeting of the unit owners to consider a substitute budget if the board receives, within 21 days after adoption of the annual budget, a written request for a special meeting from at least 10 percent of all voting interests. The special meeting shall be conducted within 60 days after adoption of the annual budget. At least 14 days prior to such special meeting, the board shall hand deliver to each unit owner, or mail to each unit owner at the address last furnished to the association, a notice of the meeting. An officer or manager of the association, or other person providing notice of such meeting shall execute an affidavit evidencing compliance with this notice requirement, and such affidavit shall be filed among the official records of the association. Unit owners may consider and adopt a substitute budget at the special meeting. A substitute budget is adopted if approved by a majority of all voting interests unless the bylaws require adoption by a greater percentage of voting interests. If there is not a quorum at the special meeting or a substitute budget is not adopted, the annual budget previously adopted by the board shall take effect as scheduled.



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b. Any determination of whether assessments exceed 115 percent of assessments for the prior fiscal year shall exclude any authorized provision for reasonable reserves for repair or replacement of the condominium property, anticipated expenses of the association which the board does not expect to be incurred on a regular or annual basis, insurance premiums, or assessments for betterments to the condominium property.

c. If the developer controls the board, assessments shall not exceed 115 percent of assessments for the prior fiscal year unless approved by a majority of all voting interests.

(f) *Annual budget.*—

1. The proposed annual budget of estimated revenues and expenses must be detailed and must show the amounts budgeted by accounts and expense classifications, including, at a minimum, any applicable expenses listed in s. 718.504(21). The board shall adopt the annual budget at least 14 days before the start of the association's fiscal year. In the event that the board fails to timely adopt the annual budget a second time, it is deemed a minor violation and the prior year's budget shall continue in effect until a new budget is adopted. A multicondominium association must adopt a separate budget of common expenses for each condominium the association operates and must adopt a separate budget of common expenses for the association. In addition, if the association maintains limited common elements with the cost to be shared only by those entitled to use the limited common elements as provided for in s. 718.113(1), the budget or a schedule attached to it must show the amount budgeted for this maintenance. If, after turnover of control of the association to the unit owners, any of the



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expenses listed in s. 718.504(21) are not applicable, they do not need to be listed.

2.a. In addition to annual operating expenses, the budget must include reserve accounts for capital expenditures and deferred maintenance. These accounts must include, but are not limited to, roof replacement, building painting, and pavement resurfacing, regardless of the amount of deferred maintenance expense or replacement cost, and any other item that has a deferred maintenance expense or replacement cost that exceeds \$10,000. ~~The amount to be reserved for an item is determined by the association's most recent structural integrity reserve study that must be completed by December 31, 2024. If the amount to be reserved for an item is not in the association's initial or most recent structural integrity reserve study or the association has not completed a structural integrity reserve study, the amount must be computed using a formula based upon estimated remaining useful life and estimated replacement cost or deferred maintenance expense of the reserve item. In a budget adopted by an association that is required to obtain a structural integrity reserve study, reserves must be maintained for the items identified in paragraph (g) for which the association is responsible pursuant to the declaration of condominium, and the reserve amount for such items must be based on the findings and recommendations of the association's most recent structural integrity reserve study. With respect to items for which an estimate of useful life is not readily ascertainable or with an estimated remaining useful life of greater than 25 years, an association is not required to reserve replacement costs for such items, but an association must reserve the amount of~~



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deferred maintenance expense, if any, which is recommended by the structural integrity reserve study for such items. The association may adjust replacement reserve assessments annually to take into account an inflation adjustment and any changes in estimates or extension of the useful life of a reserve item caused by deferred maintenance. The members of a unit-owner-controlled association may determine, by a majority vote of the total voting interests ~~at a duly called meeting~~ of the association, to provide no reserves or less reserves than required by this subsection. For a budget adopted on or after ~~Effective~~ December 31, 2024, the members of a unit-owner-controlled association that must obtain a structural integrity reserve study may not determine to provide no reserves or less reserves than required by this subsection for items listed in paragraph (g), except that members of an association operating a multicondominium may determine to provide no reserves or less reserves than required by this subsection if an alternative funding method has been approved by the division.

b. Before turnover of control of an association by a developer to unit owners other than a developer under s. 718.301, the developer-controlled association may not vote to waive the reserves or reduce funding of the reserves. If a meeting of the unit owners has been called to determine whether to waive or reduce the funding of reserves and no such result is achieved or a quorum is not attained, the reserves included in the budget shall go into effect. After the turnover, the developer may vote its voting interest to waive or reduce the funding of reserves.

3. Reserve funds and any interest accruing thereon shall



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remain in the reserve account or accounts, and may be used only for authorized reserve expenditures unless their use for other purposes is approved in advance by a majority vote of all the total voting interests ~~at a duly called meeting~~ of the association. Before turnover of control of an association by a developer to unit owners other than the developer pursuant to s. 718.301, the developer-controlled association may not vote to use reserves for purposes other than those for which they were intended. For a budget adopted on or after ~~Effective~~ December 31, 2024, members of a unit-owner-controlled association that must obtain a structural integrity reserve study may not vote to use reserve funds, or any interest accruing thereon, ~~that are reserved for items listed in paragraph (g)~~ for any other purpose other than the replacement or deferred maintenance costs of the components listed in paragraph (g) ~~their intended purpose~~.

4. The only voting interests that are eligible to vote on questions that involve waiving or reducing the funding of reserves, or using existing reserve funds for purposes other than purposes for which the reserves were intended, are the voting interests of the units subject to assessment to fund the reserves in question. Proxy questions relating to waiving or reducing the funding of reserves or using existing reserve funds for purposes other than purposes for which the reserves were intended must contain the following statement in capitalized, bold letters in a font size larger than any other used on the face of the proxy ballot: WAIVING OF RESERVES, IN WHOLE OR IN PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.



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(g) *Structural integrity reserve study.*—

1. A residential condominium ~~An~~ association must have a structural integrity reserve study completed at least every 10 years after the condominium's creation for each building on the condominium property that is three stories or higher in height as determined by the Florida Building Code which includes, at a minimum, a study of the following items as related to the structural integrity and safety of the building:

a. Roof.

b. Structure, including load-bearing walls and ~~or~~ other primary structural members and primary structural systems as those terms are defined in s. 627.706.

~~c. Floor.~~

~~d. Foundation.~~

~~e. Fireproofing and fire protection systems.~~

~~d.f. Plumbing.~~

~~e.g. Electrical systems.~~

~~f.h. Waterproofing and exterior painting.~~

~~g.i. Windows and exterior doors.~~

~~h.j. Any other item that has a deferred maintenance expense or replacement cost that exceeds \$10,000 and the failure to replace or maintain such item negatively affects the items listed in sub-subparagraphs a.-g. sub-subparagraphs a.-i., as determined by the licensed engineer or architect performing the visual inspection portion of the structural integrity reserve study.~~

2. A structural integrity reserve study is based on a visual inspection of the condominium property. A structural integrity reserve study may be performed by any person qualified



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to perform such study. However, the visual inspection portion of the structural integrity reserve study must be performed or verified by an engineer licensed under chapter 471, an architect licensed under chapter 481, or a person certified as a reserve specialist or professional reserve analyst by the Community Associations Institute or the Association of Professional Reserve Analysts.

3. At a minimum, a structural integrity reserve study must identify each item of the condominium property being visually inspected, state the estimated remaining useful life and the estimated replacement cost or deferred maintenance expense of each item of the condominium property being visually inspected, and provide a reserve funding schedule with a recommended annual reserve amount that achieves the estimated replacement cost or deferred maintenance expense of each item of condominium property being visually inspected by the end of the estimated remaining useful life of the item. The structural integrity reserve study may recommend that reserves do not need to be maintained for any item for which an estimate of useful life and an estimate of replacement cost cannot be determined, or the study may recommend a deferred maintenance expense amount for such item. The structural integrity reserve study may recommend that reserves for replacement costs do not need to be maintained for any item with an estimated remaining useful life of greater than 25 years, but the study may recommend a deferred maintenance expense amount for such item.

4. This paragraph does not apply to buildings less than three stories in height; single-family, two-family, or three-family dwellings with three or fewer habitable stories above





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ground; any portion or component of a building that has not been submitted to the condominium form of ownership; or any portion or component of a building that is maintained by a party other than the association.

5. Before a developer turns over control of an association to unit owners other than the developer, the developer must have a structural integrity reserve study completed for each building on the condominium property that is three stories or higher in height.

~~6.3.~~ Associations existing on or before July 1, 2022, which are controlled by unit owners other than the developer, must have a structural integrity reserve study completed by December 31, 2024, for each building on the condominium property that is three stories or higher in height. An association that is required to complete a milestone inspection in accordance with s. 553.899 on or before December 31, 2026, may complete the structural integrity reserve study simultaneously with the milestone inspection. In no event may the structural integrity reserve study be completed after December 31, 2026.

7. If the milestone inspection required by s. 553.899, or an inspection completed for a similar local requirement, was performed within the past 5 years and meets the requirements of this paragraph, such inspection may be used in place of the visual inspection portion of the structural integrity reserve study.

~~8.4.~~ If the officers or directors of an association willfully and knowingly fail ~~fails~~ to complete a structural integrity reserve study pursuant to this paragraph, such failure is a breach of an officer's and director's fiduciary



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relationship to the unit owners under s. 718.111(1).

(h) *Mandatory milestone inspections.*—If an association is required to have a milestone inspection performed pursuant to s. 553.899, the association must arrange for the milestone inspection to be performed and is responsible for ensuring compliance with the requirements of s. 553.899. The association is responsible for all costs associated with the milestone inspection attributable to the portions of the building which the association is responsible for maintaining under the governing documents of the association. If the officers or directors of an association willfully and knowingly fail to have a milestone inspection performed pursuant to s. 553.899, such failure is a breach of the officers' and directors' fiduciary relationship to the unit owners under s. 718.111(1)(a). Within 14 days after receipt of a written notice from the local enforcement agency that a milestone inspection is required, the association must notify the unit owners of the required milestone inspection and provide the date by which the milestone inspection must be completed. Such notice may be given by electronic submission to unit owners who consent to receive notice by electronic submission or by posting on the association's website. Within 45 days after receiving ~~Upon completion of a phase one or phase two milestone inspection and receipt of the inspector-prepared summary of the inspection~~ report from the architect or engineer who performed the inspection, the association must distribute a copy of the inspector-prepared summary of the inspection report to each unit owner, regardless of the findings or recommendations in the report, by United States mail or personal delivery at the



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mailing address, property address, or any other address of the owner provided to fulfill the association's notice requirements under this chapter and by electronic transmission to the e-mail address or facsimile number provided to fulfill the association's notice requirements to unit owners who previously consented to receive notice by electronic transmission; must post a copy of the inspector-prepared summary in a conspicuous place on the condominium property; and must publish the full report and inspector-prepared summary on the association's website, if the association is required to have a website.

Section 7. Effective July 1, 2027, subsection (5) of section 718.1255, Florida Statutes, is amended, and paragraph (d) is added to subsection (1) of that section, to read:

718.1255 Alternative dispute resolution; mediation; nonbinding arbitration; applicability.—

(1) DEFINITIONS.—As used in this section, the term "dispute" means any disagreement between two or more parties that involves:

(d) The failure of a board of administration, when required by this chapter or an association document, to:

1. Obtain the milestone inspection required under s. 553.899.

2. Obtain a structural integrity reserve study required under s. 718.112(2)(g).

3. Fund reserves as required for an item identified in s. 718.112(2)(g).

4. Make or provide necessary maintenance or repairs of condominium property recommended by a milestone inspection or a structural integrity reserve study.



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“Dispute” does not include any disagreement that primarily involves: title to any unit or common element; the interpretation or enforcement of any warranty; the levy of a fee or assessment, or the collection of an assessment levied against a party; the eviction or other removal of a tenant from a unit; alleged breaches of fiduciary duty by one or more directors; or claims for damages to a unit based upon the alleged failure of the association to maintain the common elements or condominium property.

(5) PRESUIT MEDIATION.—In lieu of the initiation of nonbinding arbitration as provided in subsections (1)-(4), a party may submit a dispute to presuit mediation in accordance with s. 720.311; however, election and recall disputes are not eligible for mediation and such disputes must be arbitrated by the division or filed in a court of competent jurisdiction. Disputes identified in paragraph (1)(d) are not subject to nonbinding arbitration under subsection (4) and must be submitted to presuit mediation in accordance with s. 720.311.

Section 8. Subsection (1) of section 718.113, Florida Statutes, is amended to read:

718.113 Maintenance; limitation upon improvement; display of flag; hurricane shutters and protection; display of religious decorations.—

(1) Maintenance of the common elements is the responsibility of the association, except for any maintenance responsibility for limited common elements assigned to the unit owner by the declaration. The association shall provide for the maintenance, repair, and replacement of the condominium property



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for which it bears responsibility pursuant to the declaration of condominium. After turnover of control of the association to the unit owners, the association must perform any required maintenance identified by the developer pursuant to s. 718.301(4) (p) and (q) until the association obtains new maintenance protocols from a licensed professional engineer or architect or a person certified as a reserve specialist or professional reserve analyst by the Community Associations Institute or the Association of Professional Reserve Analysts. The declaration may provide that certain limited common elements shall be maintained by those entitled to use the limited common elements or that the association shall provide the maintenance, either as a common expense or with the cost shared only by those entitled to use the limited common elements. If the maintenance is to be by the association at the expense of only those entitled to use the limited common elements, the declaration shall describe in detail the method of apportioning such costs among those entitled to use the limited common elements, and the association may use the provisions of s. 718.116 to enforce payment of the shares of such costs by the unit owners entitled to use the limited common elements.

Section 9. Present paragraphs (q) and (r) of subsection (4) of section 718.301, Florida Statutes, are redesignated as paragraphs (r) and (s), respectively, a new paragraph (q) is added to that subsection, and paragraph (p) of that subsection is amended, to read:

718.301 Transfer of association control; claims of defect by association.—

(4) At the time that unit owners other than the developer



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elect a majority of the members of the board of administration of an association, the developer shall relinquish control of the association, and the unit owners shall accept control. Simultaneously, or for the purposes of paragraph (c) not more than 90 days thereafter, the developer shall deliver to the association, at the developer's expense, all property of the unit owners and of the association which is held or controlled by the developer, including, but not limited to, the following items, if applicable, as to each condominium operated by the association:

(p) Notwithstanding when the certificate of occupancy was issued or the height of the building, a structural integrity reserve study ~~a milestone inspection report~~ in compliance with s. 718.112(2)(g) ~~s. 553.899~~ included in the official records, under seal of an architect or engineer authorized to practice in this state or a person certified as a reserve specialist or professional reserve analyst by the Community Associations Institute or the Association of Professional Reserve Analysts, and attesting to required maintenance, condition, useful life, and replacement costs of the following applicable condominium property comprising a turnover inspection report:

1. Roof.

2. Structure, including load-bearing walls and primary structural members and primary structural systems as those terms are defined in s. 627.706.

3. Fireproofing and fire protection systems.

4. Plumbing ~~Elevators~~.

5. Electrical systems ~~Heating and cooling systems~~.

6. Waterproofing and exterior painting ~~Plumbing~~.



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7. Windows and exterior doors ~~Electrical systems.~~

~~8. Swimming pool or spa and equipment.~~

~~9. Seawalls.~~

~~10. Pavement and parking areas.~~

~~11. Drainage systems.~~

~~12. Painting.~~

~~13. Irrigation systems.~~

~~14. Waterproofing.~~

(q) Notwithstanding when the certificate of occupancy was issued or the height of the building, a turnover inspection report included in the official records, under seal of an architect or engineer authorized to practice in this state or a person certified as a reserve specialist or professional reserve analyst by the Community Associations Institute or the Association of Professional Reserve Analysts, and attesting to required maintenance, condition, useful life, and replacement costs of the following applicable condominium property comprising a turnover inspection report:

1. Elevators.

2. Heating and cooling systems.

3. Swimming pool or spa and equipment.

4. Seawalls.

5. Pavement and parking areas.

6. Drainage systems.

7. Irrigation systems.

Section 10. Paragraph (b) of subsection (1) and paragraph (a) of subsection (2) of section 718.503, Florida Statutes, are amended, and paragraph (d) is added to subsection (1) and paragraph (e) is added to subsection (2) of that section, to



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read:

718.503 Developer disclosure prior to sale; nondeveloper unit owner disclosure prior to sale; voidability.—

(1) DEVELOPER DISCLOSURE.—

(b) *Copies of documents to be furnished to prospective buyer or lessee.*—Until such time as the developer has furnished the documents listed below to a person who has entered into a contract to purchase a residential unit or lease it for more than 5 years, the contract may be voided by that person, entitling the person to a refund of any deposit together with interest thereon as provided in s. 718.202. The contract may be terminated by written notice from the proposed buyer or lessee delivered to the developer within 15 days after the buyer or lessee receives all of the documents required by this section. The developer may not close for 15 days after the execution of the agreement and delivery of the documents to the buyer as evidenced by a signed receipt for documents unless the buyer is informed in the 15-day voidability period and agrees to close before the expiration of the 15 days. The developer shall retain in his or her records a separate agreement signed by the buyer as proof of the buyer's agreement to close before the expiration of the voidability period. The developer must retain such proof for a period of 5 years after the date of the closing of the transaction. The documents to be delivered to the prospective buyer are the prospectus or disclosure statement with all exhibits, if the development is subject to s. 718.504, or, if not, then copies of the following which are applicable:

1. The question and answer sheet described in s. 718.504, and declaration of condominium, or the proposed declaration if





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the declaration has not been recorded, which shall include the certificate of a surveyor approximately representing the locations required by s. 718.104.

2. The documents creating the association.

3. The bylaws.

4. The ground lease or other underlying lease of the condominium.

5. The management contract, maintenance contract, and other contracts for management of the association and operation of the condominium and facilities used by the unit owners having a service term in excess of 1 year, and any management contracts that are renewable.

6. The estimated operating budget for the condominium and a schedule of expenses for each type of unit, including fees assessed pursuant to s. 718.113(1) for the maintenance of limited common elements where such costs are shared only by those entitled to use the limited common elements.

7. The lease of recreational and other facilities that will be used only by unit owners of the subject condominium.

8. The lease of recreational and other common facilities that will be used by unit owners in common with unit owners of other condominiums.

9. The form of unit lease if the offer is of a leasehold.

10. Any declaration of servitude of properties serving the condominium but not owned by unit owners or leased to them or the association.

11. If the development is to be built in phases or if the association is to manage more than one condominium, a description of the plan of phase development or the arrangements



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for the association to manage two or more condominiums.

12. If the condominium is a conversion of existing improvements, the statements and disclosure required by s. 718.616.

13. The form of agreement for sale or lease of units.

14. A copy of the floor plan of the unit and the plot plan showing the location of the residential buildings and the recreation and other common areas.

15. A copy of all covenants and restrictions that will affect the use of the property and are not contained in the foregoing.

16. If the developer is required by state or local authorities to obtain acceptance or approval of any dock or marina facilities intended to serve the condominium, a copy of any such acceptance or approval acquired by the time of filing with the division under s. 718.502(1), or a statement that such acceptance or approval has not been acquired or received.

17. Evidence demonstrating that the developer has an ownership, leasehold, or contractual interest in the land upon which the condominium is to be developed.

18. A copy of the inspector-prepared summary of the milestone inspection report as described in s. 553.899, or a statement in conspicuous type indicating that the required milestone inspection described in s. 553.899 has not been completed or that a milestone inspection is not required, as applicable ss. 553.899 and 718.301(4)(p).

19. A copy of the ~~association's~~ most recent structural integrity reserve study, or a statement in conspicuous type indicating that the association has not completed a required



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structural integrity reserve study has not been completed or  
that a structural integrity reserve study is not required, as  
applicable.

20. A copy of the turnover inspection report described in  
s. 718.301(4) (p) and (q) or a statement in conspicuous type  
indicating that a turnover inspection report has not been  
completed, as applicable.

(d) Milestone inspection, turnover inspection report, or  
structural integrity reserve study.—If the association is  
required to have completed a milestone inspection as described  
in s. 553.899, a turnover inspection report for a turnover  
inspection performed on or after July 1, 2023, or a structural  
integrity reserve study, and the association has not completed  
the milestone inspection, the turnover inspection report, or the  
structural integrity reserve study, each contract entered into  
after December 31, 2024, for the sale of a residential unit  
shall contain in conspicuous type a statement indicating that  
the association is required to have a milestone inspection, a  
turnover inspection report, or a structural integrity reserve  
study and has not completed such inspection, report, or study,  
as appropriate. If the association is not required to have a  
milestone inspection as described in s. 553.899 or a structural  
integrity reserve study, each contract entered into after  
December 31, 2024, for the sale of a residential unit shall  
contain in conspicuous type a statement indicating that the  
association is not required to have a milestone inspection or a  
structural integrity reserve study, as appropriate. If the  
association has completed a milestone inspection as described in  
s. 553.899, a turnover inspection report for a turnover



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inspection performed on or after July 1, 2023, or a structural integrity reserve study, each contract entered into after December 31, 2024, for the sale of a residential unit shall contain in conspicuous type:

1. A clause which states: THE BUYER HEREBY ACKNOWLEDGES THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE INSPECTOR- PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION 718.301(4) (p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN SECTIONS 718.103(26) AND 718.112(2) (g), FLORIDA STATUTES, IF APPLICABLE, MORE THAN 15 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, PRIOR TO EXECUTION OF THIS CONTRACT; and

2. A clause which states: THIS AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE INSPECTOR- PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION 718.301(4) (p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN SECTIONS 718.103(26) AND 718.112(2) (g), FLORIDA STATUTES, IF APPLICABLE. ANY PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 15



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DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER  
THE BUYER RECEIVES A CURRENT COPY OF THE INSPECTOR-PREPARED  
SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN  
SECTION 553.899, FLORIDA STATUTES; A COPY OF THE TURNOVER  
INSPECTION REPORT DESCRIBED IN SECTION 718.301(4)(p) AND (q),  
FLORIDA STATUTES; OR A COPY OF THE ASSOCIATION'S MOST RECENT  
STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN SECTIONS  
718.103(26) AND 718.112(2)(g), FLORIDA STATUTES, IF REQUESTED IN  
WRITING. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT  
CLOSING.

A contract that does not conform to the requirements of this  
paragraph is voidable at the option of the purchaser prior to  
closing.

(2) NONDEVELOPER DISCLOSURE.—

(a) Each unit owner who is not a developer as defined by  
this chapter must comply with this subsection before the sale of  
his or her unit. Each prospective purchaser who has entered into  
a contract for the purchase of a condominium unit is entitled,  
at the seller's expense, to a current copy of all of the  
following:

1. The declaration of condominium.
2. Articles of incorporation of the association.
3. Bylaws and rules of the association.
4. Financial information required by s. 718.111.
5. A copy of the inspector-prepared summary of the  
milestone inspection report as described in s. 553.899 ~~ss.~~  
~~553.899 and 718.301(4)(p)~~, if applicable.
6. The association's most recent structural integrity



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reserve study or a statement that the association has not completed a structural integrity reserve study.

7. A copy of the inspection report described in s. 718.301(4)(p) and (q) for a turnover inspection performed on or after July 1, 2023.

8. The document entitled "Frequently Asked Questions and Answers" required by s. 718.504.

(e) If the association is required to have completed a milestone inspection as described in s. 553.899, a turnover inspection report for a turnover inspection performed on or after July 1, 2023, or a structural integrity reserve study, and the association has not completed the milestone inspection, the turnover inspection report, or the structural integrity reserve study, each contract entered into after December 31, 2024, for the sale of a residential unit shall contain in conspicuous type a statement indicating that the association is required to have a milestone inspection, a turnover inspection report, or a structural integrity reserve study and has not completed such inspection, report, or study, as appropriate. If the association is not required to have a milestone inspection as described in s. 553.899 or a structural integrity reserve study, each contract entered into after December 31, 2024, for the sale of a residential unit shall contain in conspicuous type a statement indicating that the association is not required to have a milestone inspection or a structural integrity reserve study, as appropriate. If the association has completed a milestone inspection as described in s. 553.899, a turnover inspection report for a turnover inspection performed on or after July 1, 2023, or a structural integrity reserve study, each contract



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entered into after December 31, 2024, for the resale of a residential unit shall contain in conspicuous type:

1. A clause which states: THE BUYER HEREBY ACKNOWLEDGES THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF THE INSPECTOR- PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION 718.301(4) (p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN SECTIONS 718.103(26) AND 718.112(2) (g), FLORIDA STATUTES, IF APPLICABLE, MORE THAN 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, PRIOR TO EXECUTION OF THIS CONTRACT; and

2. A clause which states: THIS AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE INSPECTOR- PREPARED SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN SECTION 553.899, FLORIDA STATUTES, IF APPLICABLE; A COPY OF THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION 718.301(4) (p) AND (q), FLORIDA STATUTES, IF APPLICABLE; AND A COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN SECTIONS 718.103(26) AND 718.112(2) (g), FLORIDA STATUTES, IF APPLICABLE. ANY PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE BUYER RECEIVES A CURRENT COPY OF THE INSPECTOR-PREPARED



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SUMMARY OF THE MILESTONE INSPECTION REPORT AS DESCRIBED IN SECTION 553.899, FLORIDA STATUTES; A COPY OF THE TURNOVER INSPECTION REPORT DESCRIBED IN SECTION 718.301(4) (p) AND (q), FLORIDA STATUTES; OR A COPY OF THE ASSOCIATION'S MOST RECENT STRUCTURAL INTEGRITY RESERVE STUDY DESCRIBED IN SECTIONS 718.103(26) AND 718.112(2) (g) FLORIDA STATUTES, IF REQUESTED IN WRITING. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT CLOSING.

A contract that does not conform to the requirements of this paragraph is voidable at the option of the purchaser prior to closing.

Section 11. Paragraph (a) of subsection (7) and paragraph (c) of subsection (21) of section 718.504, Florida Statutes, are amended to read:

718.504 Prospectus or offering circular.—Every developer of a residential condominium which contains more than 20 residential units, or which is part of a group of residential condominiums which will be served by property to be used in common by unit owners of more than 20 residential units, shall prepare a prospectus or offering circular and file it with the Division of Florida Condominiums, Timeshares, and Mobile Homes prior to entering into an enforceable contract of purchase and sale of any unit or lease of a unit for more than 5 years and shall furnish a copy of the prospectus or offering circular to each buyer. In addition to the prospectus or offering circular, each buyer shall be furnished a separate page entitled "Frequently Asked Questions and Answers," which shall be in accordance with a format approved by the division and a copy of





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the financial information required by s. 718.111. This page shall, in readable language, inform prospective purchasers regarding their voting rights and unit use restrictions, including restrictions on the leasing of a unit; shall indicate whether and in what amount the unit owners or the association is obligated to pay rent or land use fees for recreational or other commonly used facilities; shall contain a statement identifying that amount of assessment which, pursuant to the budget, would be levied upon each unit type, exclusive of any special assessments, and which shall further identify the basis upon which assessments are levied, whether monthly, quarterly, or otherwise; shall state and identify any court cases in which the association is currently a party of record in which the association may face liability in excess of \$100,000; and which shall further state whether membership in a recreational facilities association is mandatory, and if so, shall identify the fees currently charged per unit type. The division shall by rule require such other disclosure as in its judgment will assist prospective purchasers. The prospectus or offering circular may include more than one condominium, although not all such units are being offered for sale as of the date of the prospectus or offering circular. The prospectus or offering circular must contain the following information:

(7) A description of the recreational and other facilities that will be used in common with other condominiums, community associations, or planned developments which require the payment of the maintenance and expenses of such facilities, directly or indirectly, by the unit owners. The description shall include, but not be limited to, the following:



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(a) Each building and facility committed to be built and a summary description of the structural integrity of each building for which reserves are required pursuant to s. 718.112(2)(g).

Descriptions shall include location, areas, capacities, numbers, volumes, or sizes and may be stated as approximations or minimums.

(21) An estimated operating budget for the condominium and the association, and a schedule of the unit owner's expenses shall be attached as an exhibit and shall contain the following information:

(c) The estimated items of expenses of the condominium and the association, except as excluded under paragraph (b), including, but not limited to, the following items, which shall be stated as an association expense collectible by assessments or as unit owners' expenses payable to persons other than the association:

1. Expenses for the association and condominium:
  - a. Administration of the association.
  - b. Management fees.
  - c. Maintenance.
  - d. Rent for recreational and other commonly used facilities.
  - e. Taxes upon association property.
  - f. Taxes upon leased areas.
  - g. Insurance.
  - h. Security provisions.
  - i. Other expenses.
  - j. Operating capital.



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k. Reserves for all applicable items referenced in s.  
718.112(2)(g).

1. Fees payable to the division.

2. Expenses for a unit owner:

a. Rent for the unit, if subject to a lease.

b. Rent payable by the unit owner directly to the lessor or agent under any recreational lease or lease for the use of commonly used facilities, which use and payment is a mandatory condition of ownership and is not included in the common expense or assessments for common maintenance paid by the unit owners to the association.

==== D I R E C T O R Y C L A U S E A M E N D M E N T =====

And the directory clause is amended as follows:

Delete line 518

and insert:

Section 12. Paragraphs (e), (f), (g), and (h) of subsection (2)

===== T I T L E A M E N D M E N T =====

And the title is amended as follows:

Delete lines 45 - 65

and insert:

requirements relating to budget meetings; revising condominium association reserve account requirements; revising requirements relating to waiving reserve requirements or providing less reserves than required by law; revising requirements relating to using reserve funds or interest accrued on reserve funds for



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certain purposes; revising requirements for structural integrity reserve studies and mandatory milestone inspections; providing applicability; conforming provisions to changes made by the act; amending s. 718.1255, F.S.; revising the definition of the term "dispute"; specifying that certain disputes are not subject to nonbinding arbitration and must be submitted to presuit mediation; amending s. 718.113, F.S.; revising requirements relating to maintenance, repair, and replacement of common elements and condominium property; amending s. 718.301, F.S.; revising items that developers are required to deliver to an association upon relinquishing control of the association; amending s. 718.503, F.S.; revising the documents developers are required to provide to prospective buyers or lessees; revising the documents that prospective purchasers are entitled to when purchasing a condominium unit from a unit owner; requiring specified disclosures relating to milestone inspections, turnover inspection reports, and structural integrity reserve studies for certain contracts entered into after a specified date; amending s. 718.504, F.S.; revising requirements for prospectuses and offering circulars; amending s. 719.103, F.S.; revising the